

Message Text

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20

ACTION AF-18

INFO OCT-01 EUR-25 ISO-00 IO-14 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 ACDA-19 NEA-10 AID-20 COME-00 EB-11

FRB-02 TRSE-00 XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01

OMB-01 AGR-20 DRC-01 /247 W
----- 073994

R 071730Z DEC 73

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC 5806

INFO AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY LISBON

AMEMBASSY LUSAKA

AMCONGEN LUANDA

AMEMBASSY KIGALI

AMEMBASSY BUJUMBURA

AMEMBASSY BANGUI

AMCONSULATE LUBUMBASHI

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DEPT PASS PC/AF

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TAGS: PINS, PFOR, CG, EGEN, BE, PO

SUBJECT: IMPACT OF MOBUTU'S NOVEMBER 30 DECISIONS

REF: A) KINSHASA 10325 (NOTAL); B) KINSHASA 10383 (NOTAL)

1. SUMMARY: WHILE MASS MEDIA EMPHASIZE WIDESPREAD
ENTHUSIASM FOR DECISIONS ANNOUNCED NOVEMBER 30, THERE ARE
SIGNS OF CONFUSION AND TENSION AS WELL. MOBUTU IS
SCHEDULED TO LEAVE FOR STATE VISIT TO UK DECEMBER 8. END
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SUMMARY.

2. SWEEPING DECISIONS ANNOUNCED BY PRESIDENT MOBUTU HAVE BEEN FOLLOWED BY ORCHESTRATED MANIFESTATIONS OF REJOICING. TELEGRAMS OF SOLIDARITY AND GRATITUDE HAVE POURED IN FROM REGIONAL OFFICIALS AND PARADES HAVE BEEN STAGED IN MAJOR CITIES. MASS MEDIA HAVE REPEATEDLY HEARLDED ZAIRE'S EMERGENCE INTO "FULL ECONOMIC INDEPENDENCE", NOTING THAT MOBUTU HAS MORE THAN FULFILLED THE PROMISES HE MADE WHEN HE TOOK OFFICE ON DECEMBER 5, 1970.

3. MOBUTU'S REPEATED CALLS FOR VIGILANCE BEING VARIOUSLY INTERPRETED BY OFFICIALDOM. IMMIGRATION OFFICIALS REMOVED 12 PORTUGUESE DEPENDENTS FROM BRUSSELS-BOUND SABENA FLIGHT DECEMBER 5. WESTERN KASAI REGIONAL COMMISSIONER HAS FORBIDDEN MEETINGS OF MORE THAN THREE FOREIGNERS TO DISCUSS NEW MEASURES, INCLUDING ROTARY AND LIONS CLUB MEETINGS. AS WELL AS USE OF LANGUAGES OTHER THAN FRENCH AND VERNACULAR IN TELEPHONE AND TELEGRAPHIC MESSAGES. MANY REGIONAL COMMISSIONERS HAVE WARNED OF POSSIBLE "ECONOMIC SABOTAGE." PARTY YOUTH OFFICIALS IN BANDUNDU AND BUKAVU HAVE ANNOUNCED PROGRAM OF SURVEILLANCE OF RESIDENT PORTUGUESE AND PAKISTANIS, AND OTHER FOREIGN BUSINESSMEN IN INTERIOR REPORT THEY BEING CLOSELY OBSERVED.

4. CONFUSION ALSO MOUNTING IN BUSINESS CIRCLES, WITH MANY FOREIGN OWNERS OF BUSINESS UNCERTAIN OF IMMEDIATE FUTURE. THERE HAVE BEEN FRAGMENTARY REPORTYU OF PANIC SELLING IN INTERIOR. SEVERAL REGIONAL COMMISSIONERS HAVE MET WITH REPRESENTATIVES OF FOREIGN FIRMS IN THEIR AREAS SEEKING CLARIFICATION. ON DECEMBER 5 POLITICAL BUREAU TOOK NOTE OF INSTANCES OF "SUBVERSION" IN INTERIOR INVOLVING EFFORTS TO SPREAD PANIC AMONG ZAIRIAN AND FOREIGN EMPLOYEES OF FIRMS, PLANTATIONS AND RANCHES AFFECTED BY NOVEMBER 30 DECISIONS. IT ASSURED THESE EMPLOYEES THAT THEIR RIGHT WOULD BE RESPECTED UNDER NEW ZAIRIAN MANagements, INCLUDING RIGHTS OF FOREIGN EMPLOYEES TO TRANSFER FUNDS ABROAD. REGIONAL COMMISSIONER OF WEST KASAI HAS ANNOUNCED THAT PORTUGUESE BUSINESSMEN WILL HAVE THREE MONTHS TO WIND UP THERE.

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DAILY ELIMA EDITORIAL DECEMBER 7 COMMENTED THREE MONTHS IS TOO LONG SINCE STOCKS WILL HAVE BEEN DEPLETED BY THEN.

5. SCOPE OF TAKEOVERS HAS BEEN FURTHER EXPANDED BY DECEMBER 3 DECISION OF NATIONAL EXECUTIVE COUNCIL. MOBUTU'S NOVEMBER 30 SPEECH SAID THAT SMALL BUSINESS MUST BELONG TO ZAIRIANS. DEPARTMENT OF COMMERCE

ANNOUNCED ON DECEMBER 4 THAT ALL FOREIGN-OWNED "COMMERCIAL" ENTERPRISES MUST TURN IN COMPLETED QUESTIONNAIRES BY DECEMBER 31, AND WILL BE CONSIDERED DELINQUENT IF THEY DO NOT. (CONFUSION EXISTS AS TO WHETHER ALL OR ONLY CERTAIN ENTERPRISES ARE REQUIRED TO COMPLY. DECISION CLARIFYING THIS MATTER EXPECTED SOON). DEPARTMENT OF COMMERCE WILL SIMULTANEOUSLY RECEIVE APPLICATIONS FROM RESPONSIBLE, CREDIT-WORTHY ZAIRIANS WHO WISH TO ACQUIRE OWNERSHIP. ENTERPRISES AFFECTED ARE THOSE ENGAGED IN "COMMERCIAL ACTIVITIES" AS DEFINED IN LAW NO. 73/009 OF JANUARY 5, 1973. IT LISTS FOLLOWING: IMPORTATION, EXPORTATION, TRANSIT, WHOLESALING, SEMI-WHOLESALING, RETAILING AND "SERVICES DEEMED COMERCIAL BY LAW". AS OF DECEMBER 1, LOCAL PRODUCERS OF BEER, SOFT DRINKS, CONSTRUCTION MATERIALS, TOBACCO, MATCHES, AND SUGAR ARE NOT TO DELIVER THEIR PRODUCTS TO FOREIGN-OWNED DISTRIBUTORS. KINSHASA SHOPPERS ARE BUSY STOCKING UP. PHARMACIES ARE NOT BUYING AND STOCKING FOR FEAR OF IMMINENT TAKEOVER.

6. MOBUTU HELD MEETING OF NATIONAL EXECUTIVE COUNCIL (NEC) DECEMBER 7 AND SPOKESMAN SUBSEQUENTLY ANNOUNCED FOLLOWING DECISIONS. NO AGREEMENTS AFFECTING TRANSFER OF PROPERTY FROM FOREIGNERS TO ZAIRIANS WILL BE VALID UNTIL THEY RECEIVE NEC APPROVAL. ZAIRIAN RUSHING TO

FILE APPLICATION TO TAKE OVER FOREIGN BUSINESS MUST APPLY TO APPROPRIATE DEPARTMENT (COMMERCE, AGRICULTURE, ETC.) WHICH WILL SIMPLY TRANSMIT TO NEC FOR DECISION. BANK OF ZAIRE HAS BEEN INSTRUCTED TO EASE UP CONTROLS AT ONCE SO AS TO PERMIT NORMAL BUSINESS TRANSACTIONS. NO ENTERPRISE FACING ZAIRIANIZATION MAY FIRE ANY EMPLOYEE, WHETHER FOREIGN OR ZAIRIAN. LIMITED OFFICIAL USE

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7. ZAIRIAN CONCERN THAT INDIGENOUS CLASS OF "EXPLOITERS" COULD REPLACE FOREIGN ONE HAS BEEN EVIDENT FROM BEGINNING. MOBUTU HIMSELF TOLD MASS RALLY NOVEMBER 30 THAT NEW ZAIRIAN OWNERS WOULD ANSWER TO HIM IF THEY DID NOT SHARE THEIR NEW PROSPERITY WITH WORKERS. DAILY SALONGO HAS BEEN RUNNING SERIES OF EDITORIALS ON IMPLICATIONS OF NEW DECISIONS. TWO MOST RECENT ONES HAVE EMPHASIZED THAT ZAIRIAN MANAGERS MUST NOT DISAPPOINT HIGH EXPECTATIONS OF ZAIRIAN PEOPLE. CITING TOTAL FAILURE OF EARLIER PROGRAMS AIMED AT ENCOURAGING EMERGENCE OF INDIGENOUS MIDDLE CLASS, EDITOR SEES SUCH DIFFICULTIES AHEAD AS CORRUPTION, FAMILY AND TRIBAL TIES, SLOTH, AND INEXPERIENCE. CONCLUDES THAT BEST CANDIDATES FOR STEPPING INTO FOREIGNER'S SHOES MIGHT BE ZAIRIANS

WHO ARE RELATIVELY LOW-RANKING (BUT "MIDDLE CLASS")
EMPLOYEES WITH LONG EXPERIENCE IN FOREIGN ENTERPRISES.

IMT COMMENT: 04OBLEMSHSRISING IN PERIOD OF CONFUSION
THAT ALREADY LIES AHEAD WILL CALL FOR FAST FOOTWORK BY
PRESIDENCY. SEEN IN THIS LIGHT, MOBUTU'S SCHEDULED
DEPARTURE FOR STATE VISIT TO LONDON DECEMBER 8 APPEARS
UNTIMELY. HE RETURNS DECEMBER 17. NEWLIN

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